

CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1553

Citations Affected: IC 6-3; IC 22-3; IC 27-7; noncode.

Synopsis: Independent contractor documentation. Exempts an owner who contracts for work on the owner's owner occupied residential property from the requirement that a certificate of worker's compensation insurance be secured from a contractor. Requires an independent contractor to file with the department of state revenue a statement and documentation in support of the independent contractor's status, pay a \$5 filing fee, and obtain clearance from the department before a certificate of exemption is issued. Requires the deposit of the filing fee in the independent contractor information account. Makes a certificate valid for one year. Requires that a certificate of exemption issued by the department must be filed with the worker's compensation board and a filing fee of \$15 paid in order to be given effect. Requires the deposit of the filing fee in the worker's compensation supplemental administrative fund. Provides that a contractor who knowingly or intentionally causes or assists employees to file a false statement and supporting documentation of independent contractor status commits a Class D felony. Allows the worker's compensation board to impose a civil penalty against a billing review service that uses a noncompliant billing review standard. Raises the assessment limit on the second injury fund from 1.5% to 2.5% of benefits paid in the prior year. Requires that all insurance carriers subject to an assessment under the worker's compensation laws provide to the board at least once each year, and at any time a change occurs, the name, address, and email address of a representative authorized to receive the assessment notice. Allows the worker's compensation supplemental administrative fund to be used to pay all expenses incurred by the worker's compensation board. Defines "employer" to specify that a parent corporation and its subsidiaries or lessor and lessee of employees are each considered joint employers for purposes of the exclusive remedy and joint service of two or more employers provisions of the worker's compensation and occupational diseases laws. Provides that the worker's compensation rating bureau need not investigate rejected risks 90 days before a worker's compensation insurance policy expires. Deletes the requirement that the bureau must send notice of the investigation to its members 60 days before the policy expires. (This conference committee report: (1) defines "employer" to specify that a parent corporation and its subsidiaries or a lessor and lessee of employees are each considered joint employers for purposes of the joint service of two or more employers provisions of the worker's compensation and occupational diseases laws; (2) raises the assessment limit on the second injury fund from 2% to 2.5%; (3) removes a requirement that the worker's compensation board monitor the eligibility of second injury fund recipients; (4) adds

a requirement that all insurance carriers subject to an assessment under the worker's compensation laws provide to the board at least once each year, and at any time a change occurs, the name, address, and email address of a representative authorized to receive the assessment notice; (5) allows the worker's compensation supplemental administrative fund to be used to pay all expenses incurred by the worker's compensation board; and (6) makes technical corrections.)

Effective: July 1, 2001.

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1553 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Page 3, line 5, after "Indiana" insert "**in**".
- 2 Page 3, line 20, after "a" insert "**false**".
- 3 Page 3, line 26, delete "owner-occupied" and insert "**owner**
- 4 **occupied**".
- 5 Page 4, line 39, delete "Indiana".
- 6 Page 5, between lines 6 and 7, begin a new paragraph and insert:
- 7 "**(d) Together with the statement required in subsection (c), an**
- 8 **independent contractor shall file annually with the department**
- 9 **documentation in support of independent contractor status before**
- 10 **being granted a certificate of exemption. The independent**
- 11 **contractor must obtain clearance from the department of state**
- 12 **revenue before issuance of the certificate.**".
- 13 Page 5, line 7, reset in roman "(e)".
- 14 Page 5, line 7, delete "(d)".
- 15 Page 5, line 9, delete "(f)." and insert "**(g)**".
- 16 Page 5, line 19, reset in roman "(f)".
- 17 Page 5, line 19, delete "(e)".
- 18 Page 5, line 35, delete "(f)" and insert "**(g)**".
- 19 Page 6, line 8, delete "(g)" and insert "**(h)**".
- 20 Page 6, line 17, delete "(h)" and insert "**(i)**".
- 21 Page 8, line 32, delete "two percent (2%)" and insert "**two and**
- 22 **one-half percent (2.5%)**".

- 1 Page 9, line 5, delete "two percent (2%)" and insert **"two and**
 2 **one-half percent (2.5%)"**.
 3 Page 9, line 8, delete "In no case shall the" and insert **"The"**.
 4 Page 9, line 9, after "board" insert **"may not"**.
 5 Page 10, delete lines 35 through 40, begin a new paragraph and
 6 insert:
 7 **"(j) All insurance carriers subject to an assessment under this**
 8 **section are required to provide to the board:**
 9 **(1) not later than January 31 each calendar year; and**
 10 **(2) not later than thirty (30) days after a change occurs;**
 11 **the name, address, and electronic mail address of a representative**
 12 **authorized to receive the notice of an assessment.**
 13 SECTION 6. IC 22-3-5-6 IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2001]: Sec. 6. (a) The worker's compensation
 15 supplemental administrative fund is established for the purpose of
 16 carrying out the administrative purposes and functions of the worker's
 17 compensation board. The fund consists of fees collected from
 18 employers under sections 1 through 2 of this chapter and from fees
 19 collected under IC 22-3-2-14.5 and IC 22-3-7-34.5. The fund shall be
 20 administered by the worker's compensation board. Money in the fund
 21 is annually appropriated to the worker's compensation board ~~for its use~~
 22 ~~in carrying out the administrative purposes and functions of~~ **and shall**
 23 **be used for all expenses incurred by** the worker's compensation
 24 board.
 25 (b) The money in the fund is not to be used to replace funds
 26 otherwise appropriated to the board. Money in the fund at the end of
 27 the state fiscal year does not revert to the state general fund."
 28 Page 11, line 7, strike "or a subsidiary of a".
 29 Page 11, line 8, strike "or a lessor of employees" and insert **"and its**
 30 **subsidiaries"**.
 31 Page 11, line 8, strike "to be the" and insert **"joint"**.
 32 Page 11, line 9, strike "employer" and insert **"employers"**.
 33 Page 11, line 9, strike "the lessee's, or the lessor's" and insert **"the**
 34 **parent's, or the subsidiaries"**.
 35 Page 11, line 10, delete "." and insert **"and IC 22-3-3-31. Both a**
 36 **lessor and a lessee of employees shall each be considered joint**
 37 **employers of the employees provided by the lessor to the lessee for**
 38 **purposes of IC 22-3-2-6 and IC 22-3-3-31."**.
 39 Page 16, line 8, strike "or a subsidiary of a".
 40 Page 16, line 8, strike "or a lessor of employees" and insert **"and its**
 41 **subsidiaries"**.
 42 Page 16, line 9, strike "to be the employer" and insert **"joint**
 43 **employers"**.
 44 Page 16, line 9, after "corporation's," strike "the".
 45 Page 16, line 10, strike "lessee's, or the lessor's" and insert **"the**
 46 **parent's, or the subsidiaries"**.
 47 Page 16, line 10, strike "section" and insert **"sections"**.
 48 Page 16, line 10, after "6" insert **"and 33"**.
 49 Page 16, line 11, after "chapter." insert **"Both a lessor and a lessee**
 50 **of employees shall each be considered joint employers of the**

- 1 **employees provided by the lessor to the lessee for purposes of**
 - 2 **sections 6 and 33 of this chapter."**
 - 3 Page 16, line 37, strike "IC 22-3-7-34.5." and insert "**section 34.5 of**
 - 4 **this chapter."**
 - 5 Page 17, line 5, strike "IC 22-3-7-34.5." and insert "**section 34.5 of**
 - 6 **this chapter."**
 - 7 Page 27, line 1, strike "IC 22-3-7-9(b)(5)." and insert "**section**
 - 8 **9(b)(5) of this chapter."**
 - 9 Page 27, line 6, strike "IC 22-3-7-9(b)(2)" and insert "**section 9(b)(2)**
 - 10 **of this chapter"**.
 - 11 Page 27, line 6, strike "IC 22-3-7-9(b)(3)" and insert "**section 9(b)(3)**
 - 12 **of this chapter"**.
 - 13 Page 27, line 7, after "statement" insert "**with the department of**
 - 14 **state revenue"**.
 - 15 Page 27, line 8, strike "validated affidavit" and insert "**certificate"**.
 - 16 Page 27, line 8, after "exemption" insert ".".
 - 17 Page 27, line 8, strike "under this section."
 - 18 Page 27, line 10, delete "Indiana".
 - 19 Page 27, line 11, delete "Indiana".
 - 20 Page 27, line 19, delete "Along" and insert "**Together"**.
 - 21 Page 27, line 27, delete "(g)." and insert "**(h)"**."
 - 22 Page 28, line 20, delete "in".
 - 23 Page 28, line 35, delete "(i)" and insert "**(j)"**."
 - 24 Page 29, line 21, delete "IC 22-3-2-14.5(f)" and insert
 - 25 "**IC 22-3-2-14.5(g)"**."
 - 26 Page 29, line 22, delete "IC 22-3-7-34.5(g)" and insert
 - 27 "**IC 22-3-7-34.5(h), both as amended by this act,"**.
 - 28 Page 29, line 24, delete "shall" and insert "**is"**."
 - 29 Page 29, line 24, delete "be".
 - 30 Renumber all SECTIONS consecutively.
- (Reference is to EHB 1553 as reprinted April 6, 2001.)

Conference Committee Report
on
Engrossed House Bill 1553

Signed by:

Representative Lawson L
Chairperson

Senator Harrison

Representative Torr

Senator Craycraft

House Conferees

Senate Conferees